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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DIRECT TESTIMONY OF
THOMAS G. FOSTER
ON BEHALF OF
PROGRESS ENERGY FLORIDA
DOCKET NO. 100007-EI
AUGUST 2, 2010
(REVISED OCTOBER 7, 2010)

Q. Please state your name and business address.

A. My name is Thomas G. Foster. My business address is 299 First Avenue North, St. Petersburg, FL 33701.

Q. By whom are you employed and in what capacity?

A. I am employed by Progress Energy Service Company, LLC as Supervisor of Regulatory Planning Florida.

Q. What are your responsibilities in that position?

A. I am responsible for regulatory planning and cost recovery for Progress Energy Florida, Inc. ("PEF"). These responsibilities include: regulatory financial reports; and analysis of state, federal and local regulations and their impact on PEF. In this capacity, I am also responsible for PEF's Estimated/Actual and Projection filings in the Environmental Cost Recovery Clause (ECRC).

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1 **Q. Please describe your educational background and professional experience.**

2 A. I joined Progress Energy on October 31, 2005 as a Senior Financial analyst in
3 the Regulatory group. In that capacity I supported the preparation of testimony
4 and exhibits associated with various Dockets. In late 2008, I was promoted to
5 Supervisor Regulatory Planning. Prior to working at Progress I was the
6 Supervisor in the Fixed Asset group at Eckerd Drug. In this role I was
7 responsible for ensuring proper accounting for all fixed assets as well as various
8 other accounting responsibilities. I have 6 years of experience related to the
9 operation and maintenance of power plants obtained while serving in the United
10 States Navy as a Nuclear operator. I received a Bachelors of Science degree in
11 Nuclear Engineering Technology from Thomas Edison State College. I received
12 a Masters of Business Administration with a focus on finance from the
13 University of South Florida and I am a Certified Public Accountant in the State
14 of Florida.

15
16 **Q. What is the purpose of your testimony?**

17 A. The purpose of my testimony is to present, for Commission review and
18 approval, Progress Energy Florida's Estimated/Actual True-up costs associated
19 with Environmental Compliance activities for the period January 2010 through
20 December 2010.

21
22 **Q. Have you prepared or caused to be prepared under your direction,
23 supervision or control any exhibits in this proceeding?**

24 A. Yes. I am sponsoring the following exhibits:

1 1. Exhibit No. __ TGF-1, which consists of PSC Forms 42-1E through 42-
2 9E; and

3 2. Exhibit No. __ TGF-2, which provides details of capital projects by site.

4 These forms provide a summary and detail of the Estimated/Actual True-up
5 O&M and Capital Environmental costs and revenue requirements for the period
6 January 2010 through December 2010.

7

8 **Q. What is the Estimated/Actual True-up amount for which PEF is requesting**
9 **recovery for the period of January 2010 through December 2010?**

10 A. The Estimated/Actual True-up amount for 2010 is an over-recovery, including
11 interest, of \$34,319,509 as shown in Exhibit No. __ (TGF-1), Form 42-1E, Line
12 4. This amount will be added to the final true-up over-recovery of \$4,562,177
13 for 2009 shown on Form 42-2E, Line 7-a, resulting in a net over-recovery of
14 \$38,881,686 as shown on Form 42-2E, Line 11. The detailed calculations
15 supporting the estimated true-up for 2010 are contained in Forms 42-1E through
16 42-8E.

17

18 **Q. Are any of the costs listed in Forms 42-1E through 42-8E attributable to**
19 **Environmental Compliance projects that have not previously been**
20 **approved by the Commission?**

21 A. No, with the exception of the ICR program for Effluent Limitation Guidelines
22 discussed and supported in the testimony of Ms. Patricia Q. West.

23

1 **Q. What capital structure, components and cost rates did Progress Energy**
2 **Florida rely upon to calculate the revenue requirement rate of return for**
3 **the period January 2010 through December 2010.**

4 A. The capital structure, components and cost rates relied upon to calculate the
5 revenue requirement rate of return for the period January 2010 through
6 December 2010 are shown on page 42-9E. Page 42-9E includes the derivation of
7 debt and equity components used in the Return on Average Net Investment,
8 lines 7 (a) and (b), on Form 42-8E included in Exhibit TGF-1. The schedule
9 also cites all sources and includes the rationale for using the particular capital
10 structure and cost rates.

11

12 **Q. How do the Estimated/Actual O&M expenditures for January 2010**
13 **through December 2010 compare with original projections?**

14 A. Form 42-4E shows that total O&M project costs are projected to be \$6,660,516
15 or 13% higher than originally projected. Following are variance explanations
16 for those O&M projects with significant variances. Individual project variances
17 are provided on Form 42-4E.

18 **O&M Project Variances:**

19 **1. Transmission and Distribution Substation Environmental Investigation,**
20 **Remediation, and Pollution Prevention (Project #1) - O&M**

21 O&M project expenditures for the Substation System Program are estimated
22 to be \$7,471,465 or 360% higher than originally projected. As discussed in
23 the testimony of Corey Zeigler, this variance is primarily attributable to

1 higher amounts of subsurface contamination encountered at the remediation
2 sites.

3

4 **2. Pipeline Integrity Management (Project #2) – O&M**

5 PEF is projecting O&M expenditures to be \$108,129 or 9% lower for this
6 program than originally projected. As discussed in the testimony of Ms.
7 West, this variance is mainly attributable to a reprioritization in pipeline
8 resources.

9

10 **3. Emissions Allowances (Project #5) – O&M**

11 SO₂ expenses are estimated to be \$1,379,220 or 14% higher than originally
12 projected. This variance is primarily driven by higher than projected energy
13 requirements during the first quarter of 2010 due to significantly cooler
14 weather than originally projected.

15

16 **4. CAIR Crystal River- Energy (Project #7.4) – O&M**

17 Total O&M project costs are estimated to be \$1,441,464 or 6% lower than
18 originally projected. As discussed in the testimony of David Sorrick, This
19 variance is being driven by a \$6,293,665 decrease in CAIR Project 7.4 –
20 Energy and a \$4,852,201 increase in CAIR Project 7.4 – Base.

21

22 **5. Arsenic Groundwater Standard (Project #8) – O&M**

1 Total O&M project costs are estimated to be \$20,000 or 100% higher than
2 originally forecasted. As discussed in Ms. West's testimony, this variance is
3 mainly attributable to the continued assessment of the groundwater quality at
4 Crystal River as directed by the Florida Department of Environmental
5 Protection (FDEP).

6

7 **6. Modular Cooling Towers (Project #11) – O&M**

8 Total O&M project costs are estimated to be \$818,717 or 20% lower than
9 originally projected. This variance is mainly attributable to the shift in the
10 demobilization costs of the modular cooling towers from 2010 until 2011.
11 This shift is due to the work on the Thermal Discharge Permanent Cooling
12 Tower being reprojected until 2011 to correspond with the timing of the next
13 refueling outage at Crystal River Unit 3.

14

15 **7. Hazardous Air Pollutants ICR Program (Project #14) – O&M**

16 Total O&M project costs are estimated to be \$400,000.

17

18 **8. Effluent Limitation Guidelines ICR Program (Project #15) - O&M**

19 Total O&M project costs are estimated to be \$60,000. As discussed in the
20 testimony of Patricia West, PEF filed a petition requesting recovery of costs
21 associated with the Effluent Limitation Guidelines ICR. The Program was
22 created in response to Section 304 of the federal Clean Water Act which
23 directs the U.S. EPA to develop and periodically review regulations, called

1 effluent guidelines, to limit the amount of pollutant that are discharged to
2 surface waters from various point source categories.

3

4 **Q. How do the Estimated/Actual Capital recoverable investments for January**
5 **2010 through December 2010 compare with PEF's original projections?**

6 A. Total recoverable capital investments itemized on Form 42-6E, are projected to
7 be \$29,373,398 or 15% lower than originally projected. Below are variance
8 explanations for those approved Capital Investment Projects with significant
9 variances. Individual project variances are provided on Form 42-6E. Return on
10 Capital Investment, Depreciation and Taxes for each project for the
11 Estimated/Actual period are provided on Form 42-8E, pages 1 through 15.

12

13 **Capital Investment Project Variances:**

14 **1. Pipeline Integrity Management Program (Project #3.1) – Capital**

15 PEF is projecting capital investment activities to be \$116,066 or 20% lower
16 for this program than originally projected. This variance is mainly
17 attributable to the change in the Weighted Average Cost of Capital
18 approved in the 2010 Rate Case (Docket No. 090079-EI), and the change in
19 depreciation rates approved in Order PSC-10-0131-FOF-EI.

20

21 **2. CAIR (Project #7.x) – Capital**

22 PEF is projecting capital investment activities to be \$29,366,599 or 15%
23 lower for this program than originally projected. This variance is mainly

1 attributable to the change in the Weighted Average Cost of Capital approved
2 in the 2010 Rate Case (Docket No. 090079-EI), and the change in
3 depreciation rates approved in Order PSC-10-0131-FOF-EI.

4

5 **Q. Does this conclude your testimony?**

6 **A. Yes, it does.**

Witness: T.G. Foster
Portion of Exhibit__(TGF-1)
Revised 10/07/10

**PROGRESS ENERGY FLORIDA, INC.
ENVIRONMENTAL COST RECOVERY
COMMISSION FORMS 42-1E THROUGH 42-9E**

JANUARY 2010 - DECEMBER 2010

Calculation of the Current Period Estimated/Actual Amount
Actuals for the period of January through June 2010
Estimated for the period of July through December 2010
DOCKET NO. 100007-EI

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated/Actual Amount
January 2010 through December 2010
(in Dollars)

Form 42-1E
Revised 10/06/10

<u>Line</u>	<u>Period Amount</u>
1 Over/(Under) Recovery for the Period (Form 42-2E, Line 5)	\$ 34,063,325
2 Interest Provision (Form 42-2E, Line 6)	111,640
3 Sum of Current Period Adjustments (Form 42-2E, Line 10)	<u>144,545</u>
4 Current Period True-Up Amount to be Refunded/(Recovered) in the Projection Period January 2010 to December 2010 (Lines 1 + 2 + 3)	<u>\$ 34,319,509</u>

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Form 42-2E
 Revised 10/06/10

End-of-Period True-Up Amount
 (In Dollars)

Line	Description	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	ECRC Revenues (net of Revenue Taxes)	\$ 19,232,399	\$ 16,984,693	\$ 17,380,801	\$ 15,131,069	\$ 17,200,936	\$ 21,178,756	\$ 21,043,394	\$ 21,468,375	\$ 21,549,290	\$ 19,174,205	\$ 16,275,500	\$ 15,651,866	\$ 222,271,283
2	True-Up Provision	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,444	\$ 1,645,443	\$ 19,745,325
3	ECRC Revenues Applicable to Period (Lines 1 + 2)	20,877,843	18,630,137	19,026,245	16,776,513	18,846,379	22,824,200	22,688,838	23,113,819	23,194,733	20,819,649	17,920,943	17,297,309	242,016,608
4	Jurisdictional ECRC Costs													
	a. O & M Activities (Form 42-5E, Line 9)	3,888,697	3,561,114	3,137,821	3,011,979	4,156,366	5,227,299	4,814,041	5,225,832	5,848,226	4,938,981	4,331,158	3,905,412	52,046,828
	b. Capital Investment Projects (Form 42-7E, Line 9)	11,030,548	11,108,068	11,303,084	11,426,506	12,825,473	14,010,493	14,049,626	14,066,524	14,051,624	14,031,306	14,011,035	13,992,069	155,906,355
	c. Total Jurisdictional ECRC Costs	14,919,245	14,669,182	14,440,905	14,438,485	16,981,841	19,237,792	18,863,667	19,292,356	19,899,850	18,970,287	18,342,193	17,897,481	207,953,283
5	Over/(Under) Recovery (Line 3 - Line 4c)	5,958,598	3,960,954	4,585,339	2,338,028	1,864,539	3,586,408	3,825,171	3,821,463	3,294,884	1,849,362	(421,249)	(600,172)	34,063,325
6	Interest Provision (Form 42-3E, Line 10)	4,523	5,088	5,861	6,189	8,363	10,421	11,021	11,656	12,214	12,486	12,220	11,598	111,640
7	Beginning Balance True-Up & Interest Provision (Order No. PSC-09-0759-FOF-EI)	19,745,325	24,207,547	26,528,146	29,473,903	30,172,676	30,400,134	32,351,519	34,542,267	36,729,942	38,391,596	38,608,000	36,553,527	19,745,325
	a. Deferred True-Up from January 2009 to December 2009	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177	4,562,177
8	True-Up Collected/(Refunded) (see Line 2)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,444)	(1,645,443)	(19,745,325)
9	End of Period Total True-Up (Lines 5+6+7+8)	28,625,180	31,090,323	34,036,080	34,734,853	34,962,311	36,913,696	39,104,444	41,292,119	42,953,773	43,170,177	41,115,704	38,881,687	38,737,142
10	Adjustments to Period Total True-Up Including Interest (A)	144,545	0	0	0	0	0	0	0	0	0	0	0	144,545
11	End of Period Total True-Up (Lines 9 + 10)	\$ 28,769,724	\$ 31,090,323	\$ 34,036,080	\$ 34,734,853	\$ 34,962,311	\$ 36,913,696	\$ 39,104,444	\$ 41,292,119	\$ 42,953,773	\$ 43,170,177	\$ 41,115,704	\$ 38,881,687	\$ 38,881,687

(A) As discussed in PEF's response to Staff's ROG 26(3) and the Supplemental Attachment filed, this reflects a credit associated with depreciation and its related interest from 2009 for assets retired.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Form 42-3E
 Revised 10/06/10

Interest Provision
 (In Dollars)

Line	Description	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Beginning True-Up Amount (Form 42-2E, Line 7 + 7a + 10)	\$ 24,452,047	\$ 28,769,724	\$ 31,080,323	\$ 34,036,080	\$ 34,734,853	\$ 34,962,311	\$ 36,913,696	\$ 39,104,444	\$ 41,292,119	\$ 42,953,773	\$ 43,170,177	\$ 41,115,704	
2	Ending True-Up Amount Before Interest (Line 1 + Form 42-2E, Lines 5 + 8)	28,765,201	31,085,235	34,030,219	34,728,684	34,953,948	36,903,275	39,093,423	41,280,463	42,941,559	43,157,691	41,103,484	38,870,089	
3	Total of Beginning & Ending True-Up (Lines 1 + 2)	53,217,248	59,854,959	65,120,542	68,784,744	69,688,801	71,865,585	76,007,119	80,384,907	84,233,677	86,111,463	84,273,660	79,985,782	
4	Average True-Up Amount (Line 3 x 1/2)	26,608,624	29,927,480	32,560,271	34,382,372	34,844,401	35,932,793	38,003,580	40,192,454	42,118,839	43,055,732	42,136,830	39,992,896	
5	Interest Rate (First Day of Reporting Business Month)	0.20%	0.20%	0.21%	0.21%	0.23%	0.34%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	
6	Interest Rate (First Day of Subsequent Business Month)	0.20%	0.21%	0.21%	0.23%	0.34%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	
7	Total of Beginning & Ending Interest Rates (Lines 5 + 6)	0.40%	0.41%	0.42%	0.44%	0.57%	0.69%	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%	
8	Average Interest Rate (Line 7 x 1/2)	0.200%	0.205%	0.210%	0.220%	0.285%	0.345%	0.350%	0.350%	0.350%	0.350%	0.350%	0.350%	
9	Monthly Average Interest Rate (Line 8 x 1/12)	0.017%	0.017%	0.018%	0.018%	0.024%	0.029%	0.029%	0.029%	0.029%	0.029%	0.029%	0.029%	
10	Interest Provision for the Month (Line 4 x Line 9)	\$ 4,523	\$ 5,088	\$ 5,861	\$ 6,169	\$ 8,363	\$ 10,421	\$ 11,021	\$ 11,656	\$ 12,214	\$ 12,486	\$ 12,220	\$ 11,598	\$ 111,640

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Form 42-5E

O&M Activities
 (in Dollars)

Line	Description	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Description of O&M Activities													
1	Transmission Substation Environmental Investigation, Remediation, and Pollution Prevention	\$ 158,430	\$ 592,079	\$ 285,934	\$ 591,614	\$ 247,256	\$ 447,819	\$ 409,048	\$ 409,048	\$ 409,048	\$ 409,048	\$ 409,048	\$ 409,048	\$ 4,777,420
1a	Distribution Substation Environmental Investigation, Remediation, and Pollution Prevention	335,766	440,280	682,522	163,291	684,620	341,004	353,662	353,662	353,662	353,662	353,662	353,662	4,769,456
2	Distribution System Environmental Investigation, Remediation, and Pollution Prevention	336,598	342,770	689,776	615,415	874,009	982,915	587,600	910,800	1,495,800	1,207,400	548,400	0	8,591,484
3	Pipeline Integrity Management, Review/Update Plan and Risk Assessments - Intm	70,486	11,175	32,306	17,183	17,025	15,558	30,193	145,193	180,193	180,193	180,193	230,193	1,109,871
4	Above Ground Tank Secondary Containment - Pkg	0	0	0	0	0	0	0	0	0	0	0	0	0
5	SO2 & NOx Emissions Allowances - Energy	2,507,716	959,635	625,768	531,288	1,100,907	1,339,123	1,060,712	1,026,205	916,104	546,122	424,612	548,658	11,586,850
6	Phase II Cooling Water Intake 318(b) - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
6a	Phase II Cooling Water Intake 318(b) - Intm	0	0	0	0	0	0	0	0	0	0	0	0	0
7.2	CAIR/CAMR - Peaking	0	29,669	17,230	0	0	0	0	0	20,401	0	0	0	67,300
7.4	CAIR/CAMR Crystal River - Base	445,711	647,426	651,697	669,730	722,204	762,312	951,550	974,180	996,483	1,526,407	1,843,993	1,402,704	11,596,397
7.4	CAIR/CAMR Crystal River - Energy	217,735	868,271	176,477	710,931	653,033	663,462	934,790	978,478	1,077,637	1,137,824	1,007,172	1,375,885	10,001,596
7.4	CAIR/CAMR Crystal River - A&G	661	1,117	2,859	1,757	1,484	0	1,499	1,499	1,499	1,499	1,499	1,499	16,871
8	Arsenic Groundwater Standard - Base	0	0	7,468	0	0	0	0	0	6,266	0	0	6,266	20,000
9	Sea Turtle - Coastal Street Lighting - Distrib	0	0	104	0	0	0	0	0	100	100	100	100	504
11	Modular Cooling Towers - Base	0	0	0	0	0	834,188	834,188	834,188	834,188	0	0	0	3,396,762
12	Greenhouse Gas Inventory and Reporting - Energy	0	0	0	0	0	0	0	0	0	3,750	3,750	3,750	11,250
13	Mercury Total Daily Maximum Loads Monitoring - Energy	9,019	0	0	9,019	0	0	0	0	9,019	0	0	9,019	36,077
14	Hazardous Air Pollutants (HAPs) ICR Program - Energy	0	26,510	187,956	24,573	83,727	33,238	21,998	21,998	0	0	0	0	400,000
15	Effluent Limitation Guidelines ICR Program - Energy	0	0	0	0	0	0	20,000	20,000	20,000	0	0	0	60,000
2	Total of O&M Activities	4,082,103	3,918,932	3,360,097	3,334,803	4,384,265	5,619,639	5,205,240	5,675,251	6,322,300	5,366,005	4,772,429	4,340,764	\$58,381,827
3	Recoverable Costs Allocated to Energy	2,734,470	1,854,416	990,202	1,275,812	1,837,667	2,235,843	2,037,500	2,046,661	2,022,661	1,687,696	1,435,534	1,937,292	22,085,772
4	Recoverable Costs Allocated to Demand - Transm	158,430	592,079	285,934	591,614	247,256	447,819	409,048	409,048	409,048	409,048	409,048	409,048	4,777,420
	Recoverable Costs Allocated to Demand - Distrib	672,365	783,051	1,372,402	778,707	1,558,629	1,323,919	941,262	1,264,462	1,849,562	1,561,162	902,162	353,762	13,361,444
	Recoverable Costs Allocated to Demand - Prod-Base	445,711	647,426	659,165	669,730	722,204	1,596,500	1,785,738	1,808,368	1,838,937	1,526,407	1,843,993	1,406,970	14,953,149
	Recoverable Costs Allocated to Demand - Prod-Intm	70,486	11,175	32,306	17,183	17,025	15,558	30,193	145,193	180,193	180,193	180,193	230,193	1,109,871
	Recoverable Costs Allocated to Demand - Prod-Peaking	0	29,669	17,230	0	0	0	0	0	20,401	0	0	0	67,300
	Recoverable Costs Allocated to Demand - A&G	661	1,117	2,859	1,757	1,484	0	1,499	1,499	1,499	1,499	1,499	1,499	16,871
5	Retail Energy Jurisdictional Factor	0.97380	0.94550	0.94740	0.94960	0.96100	0.95710	0.95803	0.95441	0.95209	0.95226	0.95194	0.96896	
6	Retail Transmission Demand Jurisdictional Factor	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113	0.68113
	Retail Distribution Demand Jurisdictional Factor	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624
	Retail Production Demand Jurisdictional Factor - Base	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089
	Retail Production Demand Jurisdictional Factor - Intm	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962
	Retail Production Demand Jurisdictional Factor - Peaking	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248
	Retail Production Demand Jurisdictional Factor - A&G	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691	0.87691
7	Jurisdictional Energy Recoverable Costs (A)	2,862,827	1,753,351	938,117	1,211,511	1,765,998	2,139,925	1,951,976	1,953,362	1,925,759	1,607,126	1,366,539	1,853,908	21,130,399
8	Jurisdictional Demand Recoverable Costs - Transm (B)	107,911	403,283	194,758	402,968	168,413	305,023	278,615	278,615	278,615	278,615	278,615	278,615	3,254,044
	Jurisdictional Demand Recoverable Costs - Distrib (B)	689,837	780,106	1,367,242	775,779	1,552,789	1,318,941	937,723	1,259,708	1,842,608	1,555,292	898,770	352,432	13,311,207
	Jurisdictional Demand Recoverable Costs - Prod-Base (B)	406,994	589,734	600,427	610,050	657,848	1,454,236	1,628,611	1,647,224	1,675,069	1,390,389	1,679,675	1,283,417	13,620,674
	Jurisdictional Demand Recoverable Costs - Prod-Intm (B)	41,548	6,589	19,048	10,132	10,038	9,174	17,802	85,809	106,245	106,245	106,245	135,728	654,401
	Jurisdictional Demand Recoverable Costs - Prod-Peaking (B)	0	27,072	15,722	0	0	0	0	0	18,616	0	0	0	61,410
	Jurisdictional Demand Recoverable Costs - A&G (B)	580	979	2,507	1,541	1,302	0	1,314	1,314	1,314	1,314	1,314	1,314	14,793
9	Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	\$ 3,888,697	\$ 3,561,114	\$ 3,137,821	\$ 3,011,979	\$ 4,156,368	\$ 5,227,299	\$ 4,814,041	\$ 5,225,832	\$ 5,848,226	\$ 4,938,961	\$ 4,331,158	\$ 3,905,412	\$ 52,046,928

Notes:
 (A) Line 3 x Line 5
 (B) Line 4 x Line 6

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Form 42-6E
 Revised 10/06/10

Variance Report of Capital Investment Activities
 (In Dollars)

<u>Line</u>	(1) Estimated/ Actual	(2) Original Projection	(3) Variance Amount	(4) Percent
1	Description of Capital Investment Activities			
3.1	Pipeline Integrity Management - Bartow/Anclote Pipeline- Intermediate - Demand	\$ 450,470	\$ 566,536	\$ (116,066) -20%
4.x	Above Ground Tank Secondary Containment - Demand	1,913,652	1,993,429	(79,778) -4%
5	SO2/NOx Emissions Allowances - Energy	3,863,015	3,707,870	155,145 4%
7.x	CAIR/CAMR - Demand/Energy	164,674,590	194,041,189	(29,366,599) -15%
9	Sea Turtle - Coastal Street Lighting -Distribution - Demand	1,511	7,215	(5,704) -79%
10.x	Underground Storage Tanks-Base - Demand	32,751	39,424	(6,673) -17%
11	Modular Cooling Towers - Base - Demand	155,745	158,673	(2,928) -2%
11.1	Thermal Discharge Permanent Cooling Tower - Base - Demand	49,204	0	49,204 100%
2	Total Capital Investment Activities - Recoverable Costs	171,140,938	200,514,336	(\$29,373,398) -15%
3	Recoverable Costs Allocated to Energy	3,863,015	3,707,870	155,145 4%
4	Recoverable Costs Allocated to Demand	\$ 167,277,923	\$ 196,806,466	\$ (29,528,543) -15%

Notes:

Column (1) is the End of Period Totals on Form 42-7E
 Column (2) = Approved in Order PSC-09-07590-FOF-EI as detailed in
 response to Staff's 5th Request of Production of Documents, Question
 16 in Docket 090007.
 Column (3) = Column (1) - Column (2)
 Column (4) = Column (3) / Column (2)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Form 42-7E
 Revised 10/06/10

Capital Investment Projects-Recoverable Costs
 (in Dollars)

Line	Description	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Description of Investment Projects (A)													
3	Pipeline Integrity Management - Bartow/Anclole Pipeline-Intermediate	\$ 37,928	\$ 37,858	\$ 37,787	\$ 37,716	\$ 37,845	\$ 37,573	\$ 37,504	\$ 37,434	\$ 37,363	\$ 37,292	\$ 37,221	\$ 37,149	\$ 450,470
4.1	Above Ground Tank Secondary Containment - Peaking	118,415	118,201	122,534	124,996	124,743	124,502	124,243	123,963	123,686	123,406	123,128	122,849	1,472,668
4.2	Above Ground Tank Secondary Containment - Base	33,914	33,859	33,805	33,751	33,695	33,641	33,587	33,533	33,477	33,423	33,368	33,314	403,367
4.3	Above Ground Tank Secondary Containment - Intermediate	3,182	3,157	3,152	3,147	3,142	3,137	3,132	3,128	3,122	3,118	3,113	3,109	37,619
5	SO2/NOX Emissions Allowances - Energy	371,951	356,757	348,455	342,850	335,102	325,709	316,472	306,929	298,045	291,358	286,919	282,468	3,863,015
7.1	CAIR/CAMR Anclole- Intermediate	0	0	0	0	0	0	0	0	0	0	0	0	0
7.2	CAIR CT's - Peaking	21,801	21,766	21,734	21,702	21,670	21,637	21,605	21,573	21,540	21,507	21,476	21,446	259,457
7.3	CAMR Crystal River - Base	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	31,728
7.4	CAIR/CAMR Crystal River AFUDC - Base	11,485,738	11,598,799	11,814,644	11,952,421	13,493,121	14,806,309	14,858,891	14,889,218	14,883,463	14,868,611	14,851,608	14,834,353	164,335,174
7.4	CAIR/CAMR Crystal River AFUDC - Energy	4,127	4,088	4,123	4,591	4,071	3,660	3,913	3,931	3,931	3,931	3,931	3,931	48,231
9	Sea Turtle - Coastal Street Lighting -Distribution	120	120	120	120	120	120	119	119	119	126	141	167	1,511
10.1	Underground Storage Tanks-Base	1,864	1,881	1,858	1,856	1,853	1,847	1,845	1,842	1,839	1,836	1,834	1,834	22,185
10.2	Underground Storage Tanks-Intermediate	891	889	887	885	883	882	880	878	876	874	872	870	10,566
11	Modular Cooling Towers - Base	13,536	13,435	13,334	13,232	13,131	13,030	12,929	12,827	12,725	12,624	12,522	12,421	155,745
11.1	Thermal Discharge Permanent Cooling Tower - Base	4,126	4,121	4,117	4,112	4,107	4,103	4,098	4,094	4,088	4,084	4,079	4,075	49,204
2	Total Investment Projects - Recoverable Costs	12,098,218	12,195,555	12,409,193	12,544,023	14,075,927	15,378,797	15,421,862	15,442,116	15,426,921	15,404,837	15,382,859	15,360,630	171,140,938
3	Recoverable Costs Allocated to Energy	376,078	360,845	352,578	347,441	339,173	329,369	320,385	310,860	301,976	295,289	290,850	286,399	3,911,246
	Recoverable Costs Allocated to Demand - Distribution	120	120	120	120	120	120	119	119	119	126	141	167	1,511
4	Recoverable Costs Allocated to Demand - Production - Base	11,541,822	11,652,719	11,870,402	12,008,016	13,548,550	14,861,577	14,913,995	14,944,161	14,938,239	14,923,225	14,906,057	14,888,641	164,997,403
	Recoverable Costs Allocated to Demand - Production - Intermediate	41,981	41,904	41,826	41,748	41,670	41,592	41,516	41,440	41,361	41,284	41,206	41,128	498,655
	Recoverable Costs Allocated to Demand - Production - Peaking	138,216	139,967	144,268	146,898	148,413	146,139	145,848	145,536	145,226	144,913	144,604	144,295	1,732,123
5	Retail Energy Jurisdictional Factor	0.97380	0.94550	0.94740	0.94960	0.96100	0.95710	0.95803	0.95441	0.95209	0.95226	0.95194	0.95696	
	Retail Distribution Demand Jurisdictional Factor	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	
6	Retail Demand Jurisdictional Factor - Production - Base	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	
	Retail Demand Jurisdictional Factor - Production - Intermediate	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	
	Retail Demand Jurisdictional Factor - Production - Peaking	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	
7	Jurisdictional Energy Recoverable Costs (B)	366,225	341,179	334,032	329,930	325,945	315,239	306,937	296,687	287,509	281,192	276,871	274,072	3,735,821
	Jurisdictional Demand Recoverable Costs - Distribution (B)	120	120	120	120	120	120	119	119	119	126	140	166	1,505
8	Jurisdictional Demand Recoverable Costs - Production - Base (C)	10,513,331	10,614,345	10,812,830	10,937,981	12,341,239	13,537,262	13,585,008	13,612,486	13,607,093	13,593,416	13,577,779	13,561,914	150,294,485
	Jurisdictional Demand Recoverable Costs - Production - Intermediate (C)	24,753	24,707	24,661	24,618	24,570	24,523	24,478	24,434	24,387	24,342	24,296	24,250	294,017
	Jurisdictional Demand Recoverable Costs - Production - Peaking (C)	126,119	127,717	131,641	133,859	133,599	133,349	133,083	132,799	132,516	132,230	131,948	131,666	1,580,527
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	\$ 11,030,548	\$ 11,108,068	\$ 11,303,084	\$ 11,426,506	\$ 12,825,473	\$ 14,010,493	\$ 14,049,626	\$ 14,086,524	\$ 14,051,624	\$ 14,031,306	\$ 14,011,035	\$ 13,992,069	\$ 155,906,355

Notes:

- (A) Each project's Total System Recoverable Expenses on Form 42-8E, Line 9; Form 42-8E, Line 5 for Projects 5 - Allowances and Project 7.4 - Reagents
- (B) Line 3 x Line 5
- (C) Line 4 x Line 6

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: PIPELINE INTEGRITY MANAGEMENT - Bartow/Anclote Pipeline (Project 3.1)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$ 3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735	3,579,735
3	Less: Accumulated Depreciation	(565,408)	(573,144)	(580,880)	(588,616)	(596,352)	(604,088)	(611,824)	(619,560)	(627,296)	(635,032)	(642,768)	(650,504)	(658,240)	(658,240)
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	3,014,328	3,006,592	2,998,856	2,991,120	2,983,384	2,975,648	2,967,912	2,960,176	2,952,440	2,944,704	2,936,968	2,929,232	2,921,496	
6	Average Net Investment		3,010,460	3,002,724	2,994,988	2,987,252	2,979,516	2,971,780	2,964,044	2,956,308	2,948,572	2,940,836	2,933,100	2,925,364	
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	20,129	20,077	20,025	19,973	19,922	19,869	19,818	19,767	19,715	19,663	19,611	19,560	238,129
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	7,406	7,388	7,369	7,350	7,330	7,311	7,293	7,274	7,255	7,236	7,217	7,196	87,625
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)		7,736	7,736	7,736	7,736	7,736	7,736	7,736	7,736	7,736	7,736	7,736	7,736	92,832
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)		2,657	2,657	2,657	2,657	2,657	2,657	2,657	2,657	2,657	2,657	2,657	2,657	31,884
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		37,928	37,858	37,787	37,716	37,645	37,573	37,504	37,434	37,363	37,292	37,221	37,149	450,470
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		37,928	37,858	37,787	37,716	37,645	37,573	37,504	37,434	37,363	37,292	37,221	37,149	450,470
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Intermediate)		0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		22,363	22,322	22,280	22,238	22,196	22,154	22,113	22,072	22,030	21,988	21,946	21,904	265,606
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 22,363	\$ 22,322	\$ 22,280	\$ 22,238	\$ 22,196	\$ 22,154	\$ 22,113	\$ 22,072	\$ 22,030	\$ 21,988	\$ 21,946	\$ 21,904	\$ 265,606

Notes:
 (A) N/A
 (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
 (C) Depreciation calculated in Pipeline Integrity Management section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
 (D) Property tax calculated in Pipeline Integrity Management section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
 (E) Line 9a x Line 10
 (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - PEAKING (Project 4.1)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$166,070	\$274,127	\$187,776	\$5,242	\$13	\$4,598	\$0	\$0	\$0	\$0	\$0	\$0	\$637,826
	b. Clearings to Plant		86,013	6,439	1,315,204	5,242	13	4,598	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-In-Service/Depreciation Base	\$ 8,646,990	8,733,003	8,739,442	10,054,646	10,059,887	10,059,901	10,064,499	10,064,499	10,064,499	10,064,499	10,064,499	10,064,499	10,064,499	10,064,499
3	Less: Accumulated Depreciation	(485,844)	(513,021)	(540,214)	(568,859)	(599,353)	(629,848)	(660,354)	(690,860)	(721,366)	(751,872)	(782,378)	(812,884)	(843,390)	
4	CWIP - Non-Interest Bearing	778,682	859,740	1,127,428	(0)	(0)	(0)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
5	Net Investment (Lines 2 + 3 + 4)	8,940,829	9,079,722	9,326,656	9,485,786	9,460,534	9,430,052	9,404,144	9,373,638	9,343,132	9,312,626	9,282,120	9,251,614	9,221,108	
6	Average Net Investment		9,010,275	9,203,189	9,406,221	9,473,160	9,445,293	9,417,098	9,388,891	9,358,385	9,327,879	9,297,373	9,266,867	9,236,361	
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	60,244	61,535	62,892	63,339	63,152	62,966	62,777	62,571	62,369	62,164	61,961	61,758	747,728
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	22,169	22,643	23,143	23,306	23,239	23,169	23,099	23,025	22,950	22,875	22,800	22,724	275,142
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)		27,177	27,193	28,646	30,494	30,495	30,506	30,506	30,506	30,506	30,506	30,506	30,506	357,547
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)		6,825	6,830	7,853	7,857	7,857	7,861	7,861	7,861	7,861	7,861	7,861	7,861	92,249
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		116,415	118,201	122,534	124,996	124,743	124,502	124,243	123,963	123,686	123,406	123,128	122,849	1,472,666
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		116,415	118,201	122,534	124,996	124,743	124,502	124,243	123,963	123,686	123,406	123,128	122,849	1,472,666
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Peaking)		0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		106,226	107,856	111,810	114,056	113,825	113,606	113,369	113,114	112,861	112,606	112,352	112,097	1,343,778
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 106,226	\$ 107,856	\$ 111,810	\$ 114,056	\$ 113,825	\$ 113,606	\$ 113,369	\$ 113,114	\$ 112,861	\$ 112,606	\$ 112,352	\$ 112,097	\$ 1,343,778

- Notes:
 (A) N/A
 (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
 (C) Depreciation calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
 (D) Property tax calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
 (E) Line 9a x Line 10
 (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - Base (Project 4.2)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$ 2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412	2,849,412
3	Less: Accumulated Depreciation	(77,580)	(77,549)	(83,518)	(89,487)	(95,456)	(101,425)	(107,394)	(113,363)	(119,332)	(125,301)	(131,270)	(137,239)	(143,208)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	2,771,833	2,771,864	2,765,895	2,759,926	2,753,957	2,747,988	2,742,019	2,736,050	2,730,081	2,724,112	2,718,143	2,712,174	2,706,205	
6	Average Net Investment		2,774,849	2,768,880	2,762,911	2,756,942	2,750,973	2,745,004	2,739,035	2,733,066	2,727,097	2,721,128	2,715,159	2,709,190	
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	18,553	18,513	18,473	18,434	18,393	18,353	18,314	18,274	18,234	18,194	18,154	18,114	220,003
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	6,827	6,812	6,798	6,783	6,768	6,754	6,739	6,725	6,709	6,695	6,680	6,666	80,956
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)		5,969	5,969	5,969	5,969	5,969	5,969	5,969	5,969	5,969	5,969	5,969	5,969	71,628
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)		2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	2,565	30,780
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		33,914	33,859	33,805	33,751	33,695	33,641	33,587	33,533	33,477	33,423	33,368	33,314	403,367
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		33,914	33,859	33,805	33,751	33,695	33,641	33,587	33,533	33,477	33,423	33,368	33,314	403,367
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)		0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		30,892	30,842	30,793	30,743	30,692	30,643	30,594	30,545	30,494	30,445	30,395	30,345	367,423
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 30,892	\$ 30,842	\$ 30,793	\$ 30,743	\$ 30,692	\$ 30,643	\$ 30,594	\$ 30,545	\$ 30,494	\$ 30,445	\$ 30,395	\$ 30,345	\$ 367,423

Notes:
 (A) N/A
 (B) Line 6 x 10.96% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
 (C) Depreciation calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
 (D) Property tax calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
 (E) Line 9a x Line 10
 (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - Intermediate (Project 4.3)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$ 290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297
3	Less: Accumulated Depreciation	(22,218)	(22,750)	(23,282)	(23,814)	(24,346)	(24,878)	(25,410)	(25,942)	(26,474)	(27,006)	(27,538)	(28,070)	(28,602)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2+ 3+ 4)	268,080	267,548	267,016	266,484	265,952	265,420	264,888	264,356	263,824	263,292	262,760	262,228	261,696	
6	Average Net Investment		267,814	267,282	266,750	266,218	265,686	265,154	264,622	264,090	263,558	263,026	262,494	261,962	
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	1,791	1,787	1,784	1,780	1,776	1,773	1,769	1,766	1,762	1,759	1,755	1,752	21,254
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	659	658	656	655	654	652	651	650	648	647	646	645	7,821
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)		532	532	532	532	532	532	532	532	532	532	532	532	6,384
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)		180	180	180	180	180	180	180	180	180	180	180	180	2,160
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		3,162	3,157	3,152	3,147	3,142	3,137	3,132	3,128	3,122	3,118	3,113	3,109	37,619
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		3,162	3,157	3,152	3,147	3,142	3,137	3,132	3,128	3,122	3,118	3,113	3,109	37,619
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Intermediate)		0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		1,864	1,861	1,858	1,856	1,853	1,850	1,847	1,844	1,841	1,838	1,835	1,833	22,181
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 1,864	\$ 1,861	\$ 1,858	\$ 1,856	\$ 1,853	\$ 1,850	\$ 1,847	\$ 1,844	\$ 1,841	\$ 1,838	\$ 1,835	\$ 1,833	\$ 22,181

Notes:
 (A) N/A
 (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
 (C) Depreciation calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
 (D) Property tax calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
 (E) Line 9a x Line 10
 (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Schedule of Amortization and Return
 Deferred Gain on Sales of Emissions Allowances (Project 5)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Working Capital Dr (Cr)														
	a. 1581001 SO ₂ Emission Allowance Inventory	\$ 7,312,132	\$ 7,000,742	\$ 6,834,722	\$ 6,734,332	\$ 6,640,697	\$ 6,519,513	\$ 6,351,199	\$ 6,232,815	\$ 6,110,676	\$ 5,996,061	\$ 5,914,907	\$ 5,849,707	\$ 5,783,283	\$ 5,783,283
	b. 25401FL Auctioned SO ₂ Allowance	(1,821,713)	(1,909,321)	(1,896,928)	(1,884,535)	(1,918,979)	(1,901,178)	(1,883,376)	(1,865,575)	(1,847,773)	(1,829,971)	(1,812,170)	(1,794,368)	(1,776,566)	(1,776,566)
	c. 1581002 NOx Emission Allowance Inventory	36,341,932	34,508,214	33,472,206	32,834,435	32,462,755	31,471,529	30,662,919	29,702,789	28,780,922	27,961,631	27,478,861	27,101,648	26,601,612	26,601,612
2	Total Working Capital	41,732,351	39,599,635	38,410,000	37,784,232	37,184,472	36,089,865	35,130,742	34,070,030	33,043,825	32,127,721	31,581,599	31,156,967	30,608,329	30,608,329
3	Average Net Investment		40,665,993	39,004,818	38,097,116	37,484,352	36,637,168	35,610,303	34,600,386	33,556,927	32,585,773	31,854,660	31,369,293	30,882,658	
4	Return on Average Net Working Capital Balance (A)														
	a. Equity Component Grossed Up For Taxes 8.02%		271,900	260,793	254,724	250,627	244,963	238,097	231,344	224,368	217,874	212,986	209,741	206,487	2,823,904
	b. Debt Component (Line 6 x 2.95% x 1/12) 2.95%		100,051	95,964	93,731	92,223	90,139	87,612	85,128	82,561	80,171	78,372	77,178	75,961	1,039,111
5	Total Return Component (B)		371,951	356,757	348,455	342,850	335,102	325,709	316,472	306,929	298,045	291,358	286,919	282,468	3,863,015
6	Expense Dr (Cr)														
	a. 5090001 SO ₂ allowance expense		311,390	166,020	100,390	93,636	121,183	168,314	118,385	122,139	114,615	81,154	65,200	66,424	1,528,849
	b. 4074004 Amortization Expense		(12,393)	(12,393)	(12,393)	(34,028)	(17,802)	(17,802)	(17,802)	(17,802)	(17,802)	(17,802)	(17,802)	(17,802)	(213,620)
	c. 5090003 NOx Allowance Expense		2,208,719	806,008	537,771	471,680	997,525	1,188,611	960,129	921,868	819,290	482,770	377,214	500,036	10,271,621
	d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Net Expense (C)		2,507,716	959,635	625,768	531,288	1,100,907	1,339,123	1,060,712	1,026,205	916,104	546,122	424,612	548,658	11,586,850
8	Total System Recoverable Expenses (Lines 5 + 7)		2,879,667	1,316,392	974,223	874,138	1,436,009	1,664,832	1,377,184	1,333,134	1,214,149	837,480	711,531	831,126	15,449,865
	a. Recoverable costs allocated to Energy		2,879,667	1,316,392	974,223	874,138	1,436,009	1,664,832	1,377,184	1,333,134	1,214,149	837,480	711,531	831,126	15,449,865
	b. Recoverable costs allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Energy Jurisdictional Factor		0.97380	0.94550	0.94740	0.94960	0.96100	0.95710	0.95803	0.95441	0.95209	0.95226	0.95194	0.95696	
10	Demand Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Retail Energy-Related Recoverable Costs (D)		2,804,219	1,244,649	922,979	830,081	1,380,005	1,593,411	1,319,377	1,272,349	1,155,982	797,500	677,333	795,353	14,793,238
12	Retail Demand-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Total Jurisdictional Recoverable Costs (Lines 11 + 12)		\$ 2,804,219	\$ 1,244,649	\$ 922,979	\$ 830,081	\$ 1,380,005	\$ 1,593,411	\$ 1,319,377	\$ 1,272,349	\$ 1,155,982	\$ 797,500	\$ 677,333	\$ 795,353	\$ 14,793,238

Notes:

- (A) Line 3 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (B) Line 5 is reported on Capital Schedule
- (C) Line 7 is reported on O&M Schedule
- (D) Line 8a x Line 9.
- (E) Line 8b x Line 10.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: CAIR - Intermediates (Project 7.1 - Andolts Low Nox Burners and SOFA)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	0	0	0	0	0	0	0	0	0	0	0	0	\$0
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Intm)		0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Notes:

- (A) N/A
- (B) Line 6 x 10.96% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: CAIR - Peaking (Project 7.2 - CT Emission Monitoring Systems)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-In-Service/Depreciation Base	\$ 1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400	1,934,400
3	Less: Accumulated Depreciation	(91,024)	(94,564)	(98,104)	(101,644)	(105,184)	(108,724)	(112,264)	(115,804)	(119,344)	(122,884)	(126,424)	(129,964)	(133,504)	(133,504)
4	CWIP - Non-Interest Bearing	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
5	Net Investment (Lines 2 + 3 + 4)	1,843,377	1,839,836	1,836,296	1,832,756	1,829,216	1,825,676	1,822,136	1,818,596	1,815,056	1,811,516	1,807,976	1,804,436	1,800,896	1,800,896
6	Average Net Investment		1,841,606	1,838,066	1,834,526	1,830,986	1,827,446	1,823,906	1,820,366	1,816,826	1,813,286	1,809,746	1,806,206	1,802,666	1,802,666
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	12,314	12,289	12,265	12,243	12,219	12,194	12,171	12,148	12,124	12,100	12,077	12,054	146,198
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	4,531	4,521	4,513	4,503	4,495	4,487	4,478	4,469	4,460	4,451	4,443	4,436	53,787
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)		3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	3,540	42,480
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)		1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	16,992
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		21,801	21,766	21,734	21,702	21,670	21,637	21,605	21,573	21,540	21,507	21,476	21,446	259,457
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		21,801	21,766	21,734	21,702	21,670	21,637	21,605	21,573	21,540	21,507	21,476	21,446	259,457
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Peaking)		0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248	0.91248
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		19,893	19,861	19,832	19,803	19,773	19,743	19,714	19,685	19,655	19,625	19,596	19,569	236,749
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 19,893	\$ 19,861	\$ 19,832	\$ 19,803	\$ 19,773	\$ 19,743	\$ 19,714	\$ 19,685	\$ 19,655	\$ 19,625	\$ 19,596	\$ 19,569	\$ 236,749

Notes:

- (A) N/A
- (B) Line 6 x 10.96% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Depreciation calculated in CAIR CTs section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Property tax calculated in CAIR CTs section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: CAMR - Crystal River - Base (Project 7.3 - Continuous Mercury Monitoring Systems)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
a.	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non-Interest Bearing	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107
5	Net Investment (Lines 2 + 3 + 4)	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107
6	Average Net Investment		289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107
7	Return on Average Net Investment (B)														
a.	Equity Component Grossed Up For Taxes	8.02%	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	\$23,196
b.	Debt Component (Line 6 x 2.95% x 1/12)	2.95%	711	711	711	711	711	711	711	711	711	711	711	711	6,532
c.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a.	Depreciation (C) 3.70%		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (D) 0.010800		0	0	0	0	0	0	0	0	0	0	0	0	0
e.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	31,728
a.	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand		2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	2,644	31,728
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)		0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	2,408	28,901
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 2,408	\$ 28,901

Notes:

- (A) N/A
- (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated/Actual Amount
January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: CAIR - Base - AFUDC (Project 7.4 - Crystal River FGD and SCR)
(In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$ 13,476,842	\$ 9,743,699	\$ 14,168,387	\$ 9,796,370	\$ 982,886	\$ 1,936,778	\$ 6,420,088	\$ 2,574,228	\$ 788,475	\$ 668,196	\$ 457,379	\$ 553,024	\$ 61,566,353
	b. Clearings to Plant		(24,414)	21,313,554	16,544,238	10,644,279	231,736,067	4,737,481	7,304,832	2,574,228	788,475	668,196	457,379	553,024	
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)		1,340,959	1,322,595	1,284,359	1,312,048	1,148,920	0	0	0	0	0	0	0	6,408,881
2	Plant-in-Service/Depreciation Base	951,922,269	951,897,855	973,211,409	989,755,647	1,000,399,926	1,232,135,993	1,236,873,474	1,244,178,306	1,246,752,535	1,247,541,010	1,248,209,206	1,248,666,585	1,249,219,510	
3	Less: Accumulated Depreciation	(4,253,166)	(6,223,459)	(8,206,361)	(10,237,440)	(12,291,058)	(14,588,243)	(17,135,055)	(19,696,161)	(22,283,553)	(24,832,589)	(27,403,016)	(29,974,396)	(32,546,928)	
4	CWIP - AFUDC-Interest Bearing	229,322,187	244,164,322	233,917,062	232,825,570	233,289,709	3,685,447	884,744	(0)	(0)	(0)	(0)	(0)	(0)	67,975,233
5	Net Investment (Lines 2 + 3 + 4)	1,176,991,220	945,674,396	965,005,048	979,518,207	988,108,867	1,217,547,750	1,219,738,419	1,224,482,145	1,224,488,981	1,222,708,420	1,220,806,189	1,218,692,189	1,216,672,681	
6	Average Net Investment (B)		946,671,754	955,339,721	972,261,628	983,613,537	1,102,828,308	1,218,643,084	1,222,110,281	1,224,485,562	1,223,598,699	1,221,757,303	1,219,749,189	1,217,682,434	
7	Return on Average Net Investment (C)														
	a. Equity Component Grossed Up For Taxes	8.02%	6,329,619	6,387,573	6,500,718	6,577,955	7,373,711	8,148,068	8,171,251	8,187,131	8,181,202	8,168,890	8,155,464	8,141,645	\$ 90,323,227
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	2,329,108	2,350,434	2,392,068	2,420,488	2,713,302	2,996,244	3,006,773	3,012,618	3,010,437	3,005,905	3,000,963	2,995,879	\$ 33,236,219
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (D)		1,970,303	1,982,902	2,031,079	2,053,619	2,297,185	2,546,812	2,561,107	2,567,392	2,569,036	2,570,427	2,571,380	2,572,532	28,293,772
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (E)		856,708	875,890	890,779	900,359	1,108,923	1,113,185	1,119,760	1,122,077	1,122,788	1,123,389	1,123,801	1,124,297	12,481,956
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		11,485,738	11,596,799	11,814,644	11,952,421	13,493,121	14,806,309	14,858,891	14,889,218	14,883,463	14,868,611	14,851,608	14,834,353	164,335,174
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		11,485,738	11,596,799	11,814,644	11,952,421	13,493,121	14,806,309	14,858,891	14,889,218	14,883,463	14,868,611	14,851,608	14,834,353	164,335,174
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Base)		0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	
12	Retail Energy-Related Recoverable Costs (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (G)		10,462,244	10,563,408	10,761,841	10,887,340	12,290,749	13,486,919	13,534,815	13,562,440	13,557,198	13,543,669	13,528,181	13,512,464	149,691,267
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 10,462,244	\$ 10,563,408	\$ 10,761,841	\$ 10,887,340	\$ 12,290,749	\$ 13,486,919	\$ 13,534,815	\$ 13,562,440	\$ 13,557,198	\$ 13,543,669	\$ 13,528,181	\$ 13,512,464	\$ 149,691,267

Notes:
(A) AFUDC rate reflected within Docket 100134-EI as initiated under Order PSC-10-0258-PCO-EI and recently voted on and approved by the Commission.
(B) Average Net Investment based upon lines 2 and 3. Line 4 - CWIP is not factored into this calculation because this is an AFUDC being project and therefore excluded when calculating the return.
(C) Return on equity and debt calculated only on assets placed in service which appear in CAIR Crystal River AFUDC section of Capital Program Detail file. Calculated on that schedule as Line 6 x rate x 1/12. Rate based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2009 rate case.
(D) Depreciation calculated only on assets placed in service which appear in CAIR Crystal River AFUDC section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(E) Property taxes calculated only on assets placed in service which appear in CAIR Crystal River AFUDC section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
(F) Line 9a x Line 10
(G) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Schedule of Amortization and Return
 For Project: CAIR - Energy (Project 7.4 - Reagents and By-products)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Working Capital Dr (Cr)														
	a. 1544001 Ammonia Inventory	\$ 10,615	\$ 28,781	\$ 20,562	\$ 42,013	\$ 55,176	\$ 38,165	\$ 35,719	\$ 40,074	\$ 40,074	\$ 40,074	\$ 40,074	\$ 40,074	\$ 40,074	\$ 40,074
	b. 1544004 Limestone Inventory	411,061	452,062	392,584	446,311	460,488	336,405	390,116	389,740	389,740	389,740	389,740	389,740	389,740	389,740
2	Total Working Capital	421,677	480,843	413,146	488,324	515,662	374,569	425,835	429,814	429,814	429,814	429,814	429,814	429,814	429,814
3	Average Net Investment		451,260	446,995	450,735	501,993	445,116	400,202	427,824	429,814	429,814	429,814	429,814	429,814	429,814
4	Return on Average Net Working Capital Balance (A)														
	a. Equity Component Grossed Up For Taxes 8.02%		3,017	2,989	3,014	3,356	2,976	2,676	2,861	2,874	2,874	2,874	2,874	2,874	35,258
	b. Debt Component (Line 6 x 2.95% x 1/12) 2.95%		1,110	1,100	1,109	1,235	1,095	985	1,053	1,057	1,057	1,057	1,057	1,057	\$12,974
5	Total Return Component (B)		4,127	4,088	4,123	4,591	4,071	3,660	3,913	3,931	3,931	3,931	3,931	3,931	48,231
6	Expense Dr (Cr)														
	a. 5020011 Ammonia expense		173,336	194,597	176,497	184,931	135,197	278,065	432,487	447,151	439,699	430,294	364,320	470,034	3,726,606
	b. 5020012 Limestone Expense		44,400	63,252	102,970	133,485	124,454	203,198	254,655	269,369	323,367	356,699	325,909	459,232	2,662,990
	c. Dibasic Acid Expense		0	0	3,514	0	0	0	0	0	0	0	0	0	3,514
	d. 5020003 Gypsum Disposal/Sale		0	610,423	(106,504)	382,515	393,382	382,219	247,649	261,958	314,471	348,831	316,943	446,598	3,608,486
	d. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Net Expense (C)		217,735	868,271	176,477	710,931	653,033	863,482	934,790	978,478	1,077,537	1,137,824	1,007,172	1,375,865	10,001,596
8	Total System Recoverable Expenses (Lines 5 + 7)		221,863	872,360	180,600	715,523	657,104	867,142	938,703	982,409	1,081,469	1,141,755	1,011,104	1,379,796	10,049,827
	a. Recoverable costs allocated to Energy		221,863	872,360	180,600	715,523	657,104	867,142	938,703	982,409	1,081,469	1,141,755	1,011,104	1,379,796	10,049,827
	b. Recoverable costs allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Energy Jurisdictional Factor		0.97380	0.94550	0.94740	0.94960	0.96100	0.95710	0.95803	0.95441	0.95209	0.95226	0.95194	0.95696	
10	Demand Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Retail Energy-Related Recoverable Costs (D)		216,050	824,816	171,100	679,460	631,477	829,942	899,301	937,617	1,029,658	1,087,248	962,507	1,320,407	9,589,584
12	Retail Demand-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Total Jurisdictional Recoverable Costs (Lines 11 + 12)		\$ 216,050	\$ 824,816	\$ 171,100	\$ 679,460	\$ 631,477	\$ 829,942	\$ 899,301	\$ 937,617	\$ 1,029,658	\$ 1,087,248	\$ 962,507	\$ 1,320,407	\$ 9,589,584

Notes:

- (A) Line 3 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (B) Line 5 is reported on Capital Schedule
- (C) Line 7 is reported on O&M Schedule
- (D) Line 8a x Line 9.
- (E) Line 8b x Line 10.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: SEA TURTLE - COASTAL STREET LIGHTING - (Project 9)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$51	\$2	\$0	\$0	\$0	\$0	\$0	\$1,667	\$1,667	\$1,667	\$5,053
	b. Clearings to Plant		0	0	51	2	0	0	0	0	0	0	0	0	5,001
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$ 10,146	10,146	10,146	10,197	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	15,200	
3	Less: Accumulated Depreciation	(700)	(726)	(752)	(778)	(804)	(830)	(856)	(882)	(908)	(934)	(960)	(986)	(1,018)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	1,667	3,333	(0)	
5	Net Investment (Lines 2 + 3 + 4)	9,446	9,420	9,394	9,419	9,395	9,369	9,343	9,317	9,291	9,265	10,906	12,546	14,181	
6	Average Net Investment		9,433	9,407	9,407	9,407	9,382	9,356	9,330	9,304	9,278	10,085	11,726	13,364	
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	63	63	63	63	63	63	62	62	62	67	78	89	\$798
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	23	23	23	23	23	23	23	23	23	25	29	33	295
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	3.10%	26	26	26	26	26	26	26	26	26	26	26	33	319
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.009673	8	8	8	8	8	8	8	8	8	8	8	12	100
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		120	120	120	120	120	120	119	119	119	126	141	167	1,511
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		120	120	120	120	120	120	119	119	119	126	141	167	1,511
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - (Distribution)		0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		120	120	120	120	120	120	119	119	119	126	140	166	1,505
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 120	\$ 120	\$ 120	\$ 120	\$ 120	\$ 120	\$ 119	\$ 119	\$ 119	\$ 126	\$ 140	\$ 166	\$ 1,505

Notes:

- (A) N/A
- (B) Line 6 x 10.98% x 1/12. Based on RDE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: **UNDERGROUND STORAGE TANKS - BASE (Project 10.1)**
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-In-Service/Depreciation Base	\$ 168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941
3	Less: Accumulated Depreciation	(14,032)	(14,328)	(14,624)	(14,920)	(15,216)	(15,512)	(15,808)	(16,104)	(16,400)	(16,696)	(16,992)	(17,288)	(17,584)	(17,584)
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	154,909	154,613	154,317	154,021	153,725	153,429	153,133	152,837	152,541	152,245	151,949	151,653	151,357	151,357
6	Average Net Investment		154,761	154,465	154,169	153,873	153,577	153,281	152,985	152,689	152,393	152,097	151,801	151,505	151,505
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	1,035	1,033	1,031	1,029	1,027	1,025	1,023	1,021	1,019	1,017	1,015	1,013	\$12,288
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	381	380	379	379	378	377	376	376	375	374	373	373	4,521
	c. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	2.10%	296	296	296	296	296	296	296	296	296	296	296	296	3,552
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.010800	152	152	152	152	152	152	152	152	152	152	152	152	1,824
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,864	1,861	1,858	1,856	1,853	1,850	1,847	1,845	1,842	1,839	1,836	1,834	22,185
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		1,864	1,861	1,858	1,856	1,853	1,850	1,847	1,845	1,842	1,839	1,836	1,834	22,185
10	Energy Jurisdictional Factor	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		1,698	1,695	1,692	1,691	1,688	1,685	1,682	1,681	1,678	1,675	1,672	1,671	20,208
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 1,698	\$ 1,695	\$ 1,692	\$ 1,691	\$ 1,688	\$ 1,685	\$ 1,682	\$ 1,681	\$ 1,678	\$ 1,675	\$ 1,672	\$ 1,671	\$ 20,208

Notes:

- (A) N/A
- (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

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Return on Capital Investments, Depreciation and Taxes
 For Project: UNDERGROUND STORAGE TANKS - INTERMEDIATE (10.2)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$ 76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006
3	Less: Accumulated Depreciation	(7,189)	(7,372)	(7,575)	(7,778)	(7,981)	(8,184)	(8,387)	(8,590)	(8,793)	(8,996)	(9,199)	(9,402)	(9,605)	(9,805)
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	68,817	68,634	68,431	68,228	68,025	67,822	67,619	67,416	67,213	67,010	66,807	66,604	66,401	66,401
6	Average Net Investment		68,736	68,533	68,330	68,127	67,924	67,721	67,518	67,315	67,112	66,909	66,706	66,503	66,503
7	Return on Average Net Investment (B)														
a.	Equity Component Grossed Up For Taxes	8.02%	460	458	457	456	454	453	451	450	449	447	446	445	\$5,426
b.	Debt Component (Line 6 x 2.95% x 1/12)	2.95%	169	169	168	168	167	167	166	166	165	165	164	164	1,997
c.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a.	Depreciation (C)	3.20%	203	203	203	203	203	203	203	203	203	203	203	203	2,436
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (D)	0.009330	59	59	59	59	59	59	59	59	59	59	59	59	708
e.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		891	889	887	885	883	882	880	878	876	874	872	870	10,566
a.	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand		891	889	887	885	883	882	880	878	876	874	872	870	10,566
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Intermediate)		0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962	0.58962
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		525	524	523	522	521	520	519	518	516	515	514	513	6,230
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 525	\$ 524	\$ 523	\$ 522	\$ 521	\$ 520	\$ 519	\$ 518	\$ 516	\$ 515	\$ 514	\$ 513	\$ 6,230

Notes:

- (A) N/A
- (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI ..
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Return on Capital Investments, Depreciation and Taxes
 For Project: **MODULAR COOLING TOWERS - BASE (Project 11)**
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	\$ 665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141	665,141
3	Less: Accumulated Depreciation	(457,179)	(468,265)	(479,351)	(490,437)	(501,523)	(512,609)	(523,695)	(534,781)	(545,867)	(556,953)	(568,039)	(579,125)	(590,211)	(590,211)
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	207,962	196,876	185,790	174,704	163,618	152,532	141,446	130,360	119,274	108,188	97,102	86,016	74,930	
6	Average Net Investment		202,419	191,333	180,247	169,161	158,075	146,989	135,903	124,817	113,731	102,645	91,559	80,473	
7	Return on Average Net Investment (B)														
	a. Equity Component Grossed Up For Taxes	8.02%	1,353	1,279	1,205	1,131	1,057	983	909	835	760	686	612	538	\$11,349
	b. Debt Component (Line 6 x 2.95% x 1/12)	2.95%	498	471	443	416	389	362	334	307	280	253	225	198	4,176
	c. Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a. Depreciation (C)	20.00%	11,086	11,086	11,086	11,086	11,086	11,086	11,086	11,086	11,086	11,086	11,086	11,086	133,032
	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.010800	599	599	599	599	599	599	599	599	599	599	599	599	7,188
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		13,536	13,435	13,334	13,232	13,131	13,030	12,928	12,827	12,725	12,624	12,522	12,421	155,745
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		13,536	13,435	13,334	13,232	13,131	13,030	12,928	12,827	12,725	12,624	12,522	12,421	155,745
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)		0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		12,330	12,238	12,145	12,053	11,961	11,869	11,776	11,684	11,591	11,499	11,407	11,314	141,867
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 12,330	\$ 12,238	\$ 12,145	\$ 12,053	\$ 11,961	\$ 11,869	\$ 11,776	\$ 11,684	\$ 11,591	\$ 11,499	\$ 11,407	\$ 11,314	\$ 141,867

Notes:

- (A) N/A
- (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

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Return on Capital Investments, Depreciation and Taxes
 For Project: Crystal River Thermal Discharge Compliance Project - AFUDC - Base (Project 11.1)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 10	Actual February 10	Actual March 10	Actual April 10	Actual May 10	Actual June 10	Estimated July 10	Estimated August 10	Estimated September 10	Estimated October 10	Estimated November 10	Estimated December 10	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$ 245,841	\$ 377,734	\$ 357,741	\$ 539,214	\$ 2,260,108	\$ 708,135	\$ 818,676	\$ 500,755	\$ 3,175,517	\$ 1,499,382	\$ 294,573	\$ 3,376,129	\$ 14,153,808
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		40,918	42,539	45,651	49,846	69,020	61,093	72,289	76,677	88,157	102,698	108,691	120,346	877,926
2	Plant-in-Service/Depreciation Base	\$ 381,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735
3	Less: Accumulated Depreciation	(2,434)	(2,946)	(3,458)	(3,970)	(4,482)	(4,994)	(5,506)	(6,018)	(6,530)	(7,042)	(7,554)	(8,066)	(8,578)	(8,578)
4	CWIP - Non-Interest Bearing	6,819,164	6,905,923	7,326,197	7,729,589	8,318,649	10,647,777	11,417,005	12,307,970	12,885,403	16,149,077	17,751,157	18,154,421	21,650,897	
5	Net Investment (Lines 2 + 3 + 4)	6,978,466	7,264,713	7,684,474	8,067,354	8,675,903	11,004,518	11,773,235	12,663,688	13,240,609	16,503,770	18,105,339	18,508,091	22,004,054	
6	Average Net Investment		359,046	358,534	358,022	357,510	356,998	356,486	355,974	355,462	354,950	354,438	353,926	353,414	
7	Return on Average Net Investment (B)														
a.	Equity Component Grossed Up For Taxes	8.02%	2,401	2,397	2,394	2,390	2,387	2,384	2,380	2,377	2,373	2,370	2,366	2,363	28,582
b.	Debt Component (Line 6 x 2.95% x 1/12)	2.95%	883	882	881	880	878	877	876	875	873	872	871	870	\$10,518
c.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a.	Depreciation (C)		512	512	512	512	512	512	512	512	512	512	512	512	6,144
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (D)		330	330	330	330	330	330	330	330	330	330	330	330	3,960
e.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		4,126	4,121	4,117	4,112	4,107	4,103	4,098	4,094	4,088	4,084	4,079	4,075	49,204
a.	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand		4,126	4,121	4,117	4,112	4,107	4,103	4,098	4,094	4,088	4,084	4,079	4,075	49,204
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Base)		0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089	0.91089
12	Retail Energy-Related Recoverable Costs (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (F)		3,758	3,754	3,750	3,746	3,741	3,737	3,733	3,729	3,724	3,720	3,716	3,712	44,819
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 3,758	\$ 3,754	\$ 3,750	\$ 3,746	\$ 3,741	\$ 3,737	\$ 3,733	\$ 3,729	\$ 3,724	\$ 3,720	\$ 3,716	\$ 3,712	\$ 44,819

Notes:

- (A) AFUDC rate reflected within Docket 100134-EI as initiated under Order PSC-10-0258-PCO-EI and recently voted on and approved by the Commission.
- (B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI.
- (C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
- (D) Line 2 x rate x 1/12. Based on 2009 Effective Tax Rate on original cost.
- (E) Line 9a x Line 10
- (F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Form 42-8E Appendix

Variance Report of Capital Investment Projects - Capital Expenditures
 (In Dollars)

<u>Line</u>	(1) Estimated/ Actual	(2) Original Projection	(3) Variance Amount	(4) Percent
1	Description of Investment Projects			
3	Pipeline Integrity Management - Bartow/Anclote Pipeline-Intermediate			
	\$0	\$0	\$0	N/A
4.1	637,826	638,000	(174)	0%
4.2	0	0	0	N/A
4.3	0	0	0	N/A
5	30,608,329	23,185,267	7,423,062	32%
7.1	0	0	0	N/A
7.2	0	0	0	N/A
7.3	0	0	0	N/A
7.4	61,566,353	58,126,906	3,439,447	6%
7.4	429,814	753,705	(323,891)	-43%
9	5,053	20,000	(14,947)	-75%
10.1	0	0	0	N/A
10.2	0	0	0	N/A
11	0	0	0	N/A
11.1	14,153,806	34,627,623	(20,473,817)	-59%
2	Total Investment Projects - Capital Expenditures			
	\$ 107,401,181	\$ 117,351,501	\$ (9,950,320)	-8%

Notes:

(A) Working Capital

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2010 through December 2010

Progress Energy Florida Capital Structure and Cost Rates

Tax Rate
 38.575%

Class of Capital	Retail Amount	Staff Adjusted	Ratio	Cost Rate	Weighted Cost Rate	PreTax Weighted Cost Rate
CE	\$ 2,916,026	\$ 2,945,782	46.74%	0.10500	4.908%	7.990%
PS	21,239	21,456	0.34%	0.04510	0.015%	0.025%
LTD	2,817,708	2,846,460	45.17%	0.06178	2.790%	2.790%
STD	41,245	41,666	0.66%	0.03720	0.025%	0.025%
CD-Active	144,119	145,590	2.31%	0.05950	0.137%	0.137%
CD-Inactive	1,457	1,472	0.02%	0.00000	0.000%	0.000%
ADIT	415,881	420,125	6.67%	0.00000	0.000%	0.000%
FAS 109	(122,914)	(124,168)	-1.97%	0.00000	0.000%	0.000%
ITC	3,857	3,896	0.06%	0.08360	0.005%	0.008%
Total	\$ 6,238,618	\$ 6,302,278	100.00%		7.881%	10.976%

Total Debt 2.952% 2.95%
 Total Equity 4.928% 8.02%

Source: Per Staff 13-Month Average Capital Structure worksheet - Schedule 2 REVISED - handed out at 1/11/10 Rate Case Agenda - Docket No. 090079-EI

Rationale: The Company is using the currently approved capital structure and cost rates in accordance with the 2009 Settlement Agreement.